

SECOND QUARTER MARKET REPORT APRIL – JUNE 2022



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MALAWI STOCK EXCHANGE

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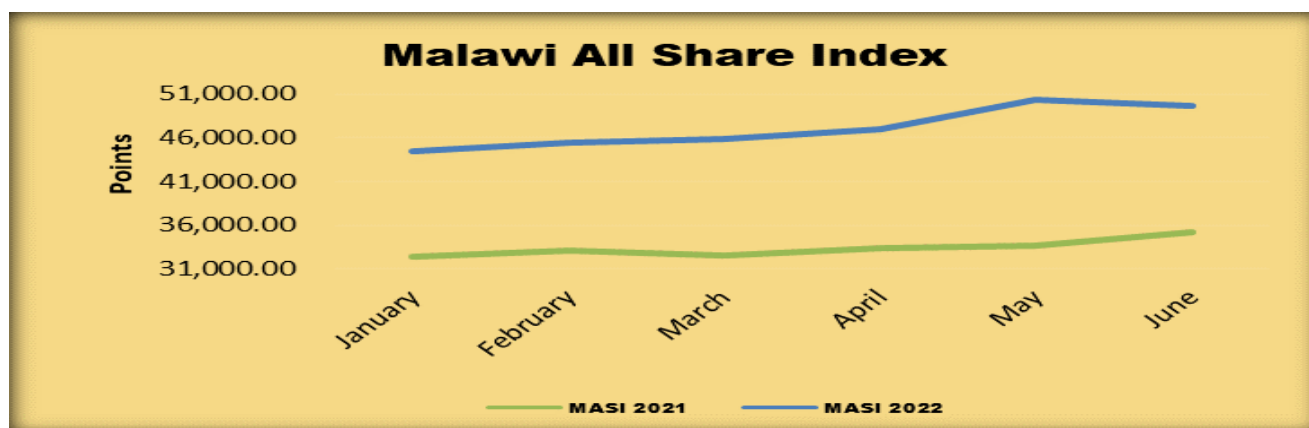
1. TRADING SUMMARY

The market was bullish in Q2 2022 as it registered a positive return on index of 8.00% (-14.10% in US\$ terms), compared to 7.93% (5.14% in US\$ terms) in Q2 2021. It however, registered a decrease in both total traded value and volume of shares traded.

On the Debt Securities Board, the market registered the first trade on debt securities issued by the Malawi Government.

Index Levels and Return – 2nd Qtr. 2022

INDEX	APRIL, 2022	JUNE, 2022	% Δ 2nd QTR. 2022	% Δ 2nd QTR. 2021	% Δ YTD. 2022
MASI	45921.23	49596.14	8.00 ▲	7.93 ▲	9.32 ▲
DSI	37584.34	39011.21	3.80 ▲	3.71 ▲	5.26 ▲
FSI	4184.71	6538.52	56.25 ▲	100.36 ▲	54.83 ▲



Trading Statistics – 2nd Qtr. 2022

	2 nd Qtr. 2022	2 nd Qtr. 2021	Y-O-Y % Δ
Traded Value (MK)	11,979,481,753.40	16,989,011,304.25	-29.49
Traded Value (US\$)	14,263,108.43	21,273,172.58	-32.95
Traded Vol. Shares	166,088,409	672,649,580	-75.31
No. of Transactions	929	852	9.04 ▲
Index Close (MASI)	49596.14	35144.56	41.12 ▲
Listed Debt Securities	46	25	
Traded Debt Securities	01	01	
Listed companies	16	16	
Traded Companies	16	16	
Not Traded	00	00	
Gainers	06	07	
Decliners	07	04	
Unchanged	03	05	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 166,088,409 shares at a total consideration of MK11,979,011,304.25 (US\$14,263,108.43) in 929 trades. In the corresponding period 2021, the market transacted a total of 672,649,580 shares at a total consideration of MK16,989,011,304.25 (US\$21,273,172.58) in 852 trades. This reflects a **-75.31%** decrease in terms of share volume and a **-29.49%** (**-32.95%** in US Dollar terms) decrease in share value. Of the shares traded, 1,300,000 FMBCH, 10,000,000 ICON and 17,828,130 TNM shares traded as negotiated deals at a total consideration of MK502,078,210.00.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 2,722,761 shares compared to 11,400,840 shares traded in the corresponding second quarter of 2021 reflecting a decrease of **-76.12%**.

The average daily turnover for the second quarter 2022 was MK196,384,946.78 (US\$233,821.45) compared with MK287,949,344.14 (US\$360,562.25) for the corresponding second quarter 2021, reflecting a decrease of **-31.80%** (**-35.15%** in US Dollar terms).

B. Market Capitalization and Index

The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 45921.23 points registered on 1 April 2022 to 49596.14 points registered on 30th June 2022, giving a return on index of **8.00%**, (**-14.10%** in US\$ terms) compared to **7.93%**, (**5.14%** in US\$ terms) registered in Q2 of 2021. The price gains registered by FMBCH(59.96%), AIRTEL(15.88%), NITL(15.82%), STANDARD (14.28%), NBM(5.51%) and ILLOVO(0.04%) were enough to offset share price losses registered by TNM(19.54%), NICO(15.00%), SUNBIRD(11.12%), OMU(10.36%), FDHB (10.09%), ICON(5.44%) and NBS(0.09%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share and the Foreign Share indices inched upwards by 3.80% and 56.25% to 39011.21 and 6538.52 points respectively.

Market capitalization increased in Kwacha terms from MK2.49 trillion to MK2.69 trillion but fell in United States dollar terms from US\$3.05 billion to US\$2.62 billion as a result of the 25% devaluation of the Kwacha in the period under review.

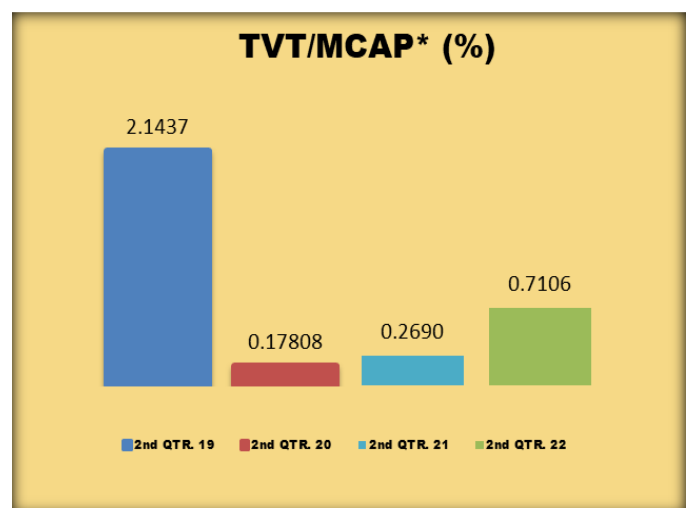
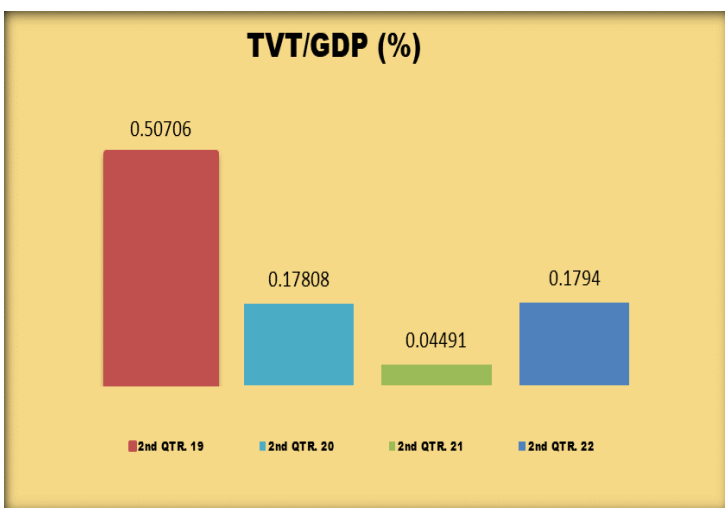
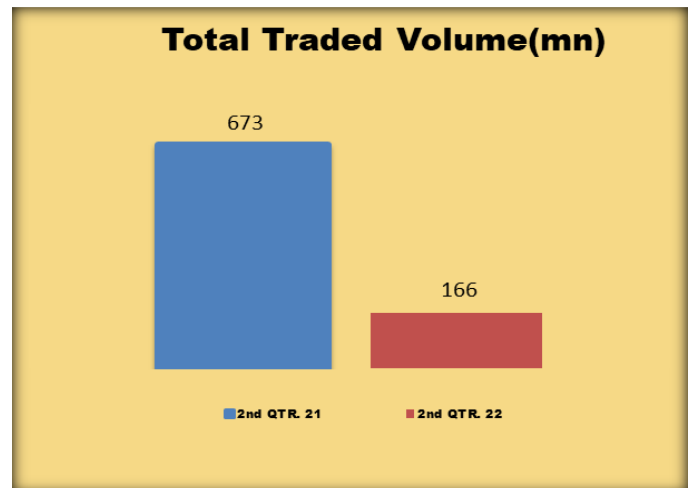
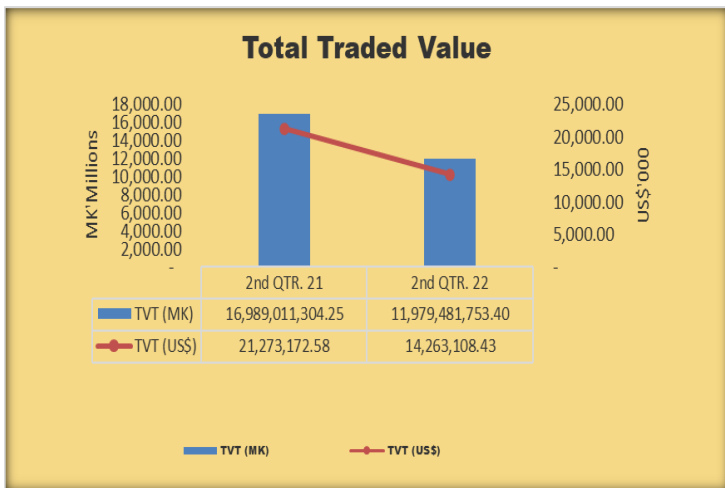
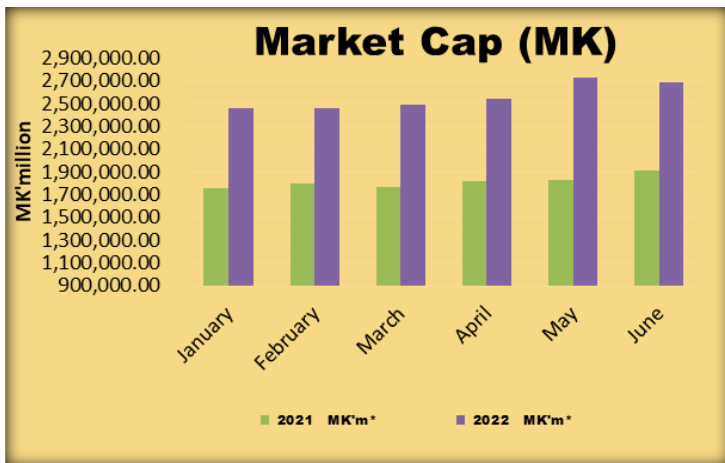
C. Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***), an indicator of the liquidity of assets traded on the market, in the quarter under review was recorded at 0.89%, lower than 1.78% registered in second quarter 2021. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.21% in the review period while during the corresponding period of 2021 liquidity was at 0.35%. Market capitalization as a percentage of GDP was at 24.08% in Q2 2022 whilst in Q2 2021 it was at 19.66%.

2. MARKET PERFORMANCE



MALAWI STOCK EXCHANGE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Six
Counters registered
gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
FMBCH	MWFMB00101138	FMB Capital Holdings plc	59.96 ▲
AIRTEL	MWAIRT001156	Airtel Malawi plc	15.88 ▲
NITL	MWNITL010091	NITL plc	15.82 ▲
STANDARD	MWSTD0010041	Standard Bank Malawi plc	14.28 ▲
NBM	MWNB0010074	National Bank of Malawi plc	5.51 ▲

B. Top Losers: Seven
Counter registered
losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
TNM	MWTNM0010126	Telekom Networks Malawi plc	-19.54
NICO	MWNICO010014	NICO Holdings plc	-15.00
SUNBIRD	MWSTL0010085	Sunbird tourism plc	-11.12
OMU	ZAE000255360	Old Mutual Limited	-10.36
FDHB	MWFDHB001166	FDH Bank plc	-10.09

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
TNM	MWTNM0010126	Telekom Networks Malawi plc	89,217,547	53.72
NITL	MWNITL010091	NITL plc	21,880,670	13.17
AIRTEL	MWAIRT001156	Airtel Malawi plc	16,578,239	9.98
ICON	MWICON001146	ICON Properties plc	13,739,262	8.27
NBM	MWNB0010074	National Bank of Malawi plc	5,540,809	3.34

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
NBM	MWNB0010074	National Bank of Malawi plc	5,321,239,563.78	44.42
NITL	MWNITL010091	NITL plc	2,719,926,054.24	22.70
TNM	MWTNM0010126	Telekom Networks Malawi plc	1,303,667,589.55	10.88
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	1,028,588,946.77	8.59
AIRTEL	MWAIRT001156	Airtel Malawi plc	719,289,855.66	6.00

3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	42.00	49.00	42.00	48.67	15.88%	16,578,239	719,289,855.66	167	535,370,000,000.00
BHL	11.01	11.01	11.01	11.01	0.00%	5,300	58,353.00	3	9,245,655,262.05
FDHB	15.56	16.21	13.99	13.99	-10.09%	4,676,724	67,511,029.98	70	96,545,427,187.50
FMBCH	80.01	145.00	80.01	127.98	59.96%	2,737,461	266,671,231.68	70	314,606,835,000.00
ICON	12.69	12.69	11.99	12.00	-5.44%	13,739,262	145,620,963.77	23	80,160,000,000.00
ILLOVO	305.42	305.54	305.42	305.53	0.04%	3,367,618	1,028,588,946.77	28	217,978,664,782.23
MPICO	20.70	20.70	20.70	20.70	0.00%	6,950	143,865.00	4	47,569,582,422.00
NBM	948.01	1,000.25	948.01	1,000.25	5.51%	5,540,809	5,321,239,563.78	168	467,048,470,934.50
NBS	22.79	22.80	22.77	22.77	-0.09%	5,494,468	125,207,977.39	62	66,273,755,316.12
NICO	55.00	55.00	46.75	46.75	-15.00%	2,706,456	127,741,168.50	29	48,762,171,238.00
NITL	95.00	125.35	109.00	110.03	15.82%	21,880,670	2,719,926,054.24	63	14,854,050,000.00
OMU	1,785.00	1,785.00	1,600.00	1,600.00	-10.36%	10,061	17,947,600.00	2	26,079,102,400.00
PCL	1,900.00	1,900.00	1,899.00	1,900.00	0.00%	2,132	4,050,700.00	11	228,486,058,000.00
STANDARD	1,400.09	1,600.03	1,400.09	1,600.03	14.28%	84,773	128,502,004.22	22	375,476,099,244.86
SUNBIRD	90.02	90.03	80.00	80.01	-11.12%	39,939	3,314,849.86	8	20,929,222,225.80
TNM	17.40	17.40	14.00	14.00	-19.54%	89,217,547	1,303,667,589.55	199	140,566,300,000.00
Total						166,088,409	11,979,481,753.40	929	2,689,951,394,013.06



4. BOND TRADING PERFORMANCE

In the period under review, there were 2 Corporate Medium Term Notes by MyBucks Banking Corporation and 44 Malawi Government Treasury Notes.

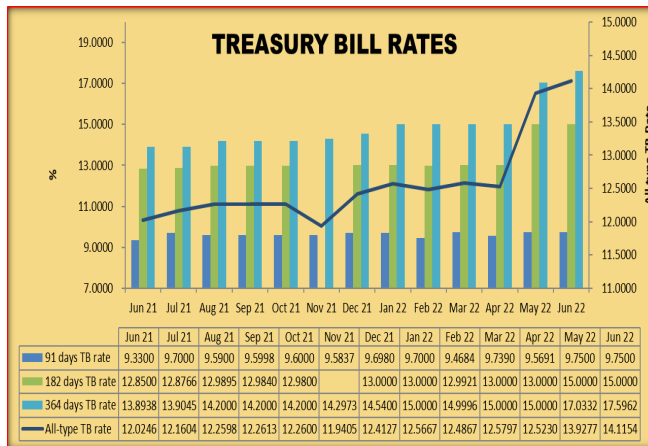
The Debt Market registered a first trade on one of the Treasury Notes (Trading symbol T05NT) issued by Malawi Government with a nominal value of MK1,000,000.00 at a price of MK84.3890 giving a total value traded of MK843,890.00. As of 30 June 2022, the nominal value of all listed debt securities stood at MK1.45 trillion.

Symbol	Open	High	Low	Close	Price Δ	Face Value '000'	Value	Trades Count	Market Capitalization
DB820	72.3338	72.3338	72.3338	72.3338	0.00%	0	0.00	0	1,335,506,182,780.00
N0914	89.0915	89.0915	89.0915	89.0915	0.00%	0	0.00	0	1,271,228,795,200.00
NFB02	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	300,000,000,000.00
NFB04	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	600,000,000,000.00
T012	81.0399	81.0399	81.0399	81.0399	0.00%	0	0.00	0	10,209,502,877,401.20
T02AD	89.3564	89.3564	89.3564	89.3564	0.00%	0	0.00	0	2,157,653,248,240.00
T02XN	89.1022	89.1022	89.1022	89.1022	0.00%	0	0.00	0	1,536,166,479,100.00
T03TX	82.3607	82.3607	82.3607	82.3607	0.00%	0	0.00	0	1,874,194,323,951.00
T05NT	76.2976	84.3890	76.2976	84.3890	10.61%	1,000	843,890.00	1	1,656,051,423,780.00
T0731	72.1403	72.1403	72.1403	72.1403	0.00%	0	0.00	0	493,908,563,950.00
T103	77.4237	77.4237	77.4237	77.4237	0.00%	0	0.00	0	2,825,577,931,500.00
T10NX	68.4575	68.4575	68.4575	68.4575	0.00%	0	0.00	0	374,017,551,250.00
T10YR	71.7006	71.7006	71.7006	71.7006	0.00%	0	0.00	0	1,145,417,085,000.00
T3YRX	82.3667	82.3667	82.3667	82.3667	0.00%	0	0.00	0	2,236,971,671,623.00
TN001	84.2591	84.2591	84.2591	84.2591	0.00%	0	0.00	0	4,135,310,239,350.00
TN002	83.6180	83.6180	83.6180	83.6180	0.00%	0	0.00	0	9,391,504,077,694.00
TN02	89.3006	89.3006	89.3006	89.3006	0.00%	0	0.00	0	3,886,951,495,960.00
TN023	87.5514	87.5514	87.5514	87.5514	0.00%	0	0.00	0	2,879,670,607,680.00
TN022	89.2853	89.2853	89.2853	89.2853	0.00%	0	0.00	0	1,593,146,536,337.20
TN03	83.3589	83.3589	83.3589	83.3589	0.00%	0	0.00	0	1,220,282,601,210.00
TN03N	82.3849	82.3849	82.3849	82.3849	0.00%	0	0.00	0	1,282,881,185,820.00
TN05	86.2716	86.2716	86.2716	86.2716	0.00%	0	0.00	0	5,443,507,442,284.80
TN05Y	77.3103	77.3103	77.3103	77.3103	0.00%	0	0.00	0	7,180,897,945,471.20
TN06	93.2903	93.2903	93.2903	93.2903	0.00%	0	0.00	0	5,165,157,394,950.00
TN07	76.3317	76.3317	76.3317	76.3317	0.00%	0	0.00	0	6,027,128,132,490.00
TN100	95.7335	95.7335	95.7335	95.7335	0.00%	0	0.00	0	5,198,863,817,331.00
TN102	87.9849	87.9849	87.9849	87.9849	0.00%	0	0.00	0	1,655,120,379,648.60
TN2	82.9777	82.9777	82.9777	82.9777	0.00%	0	0.00	0	1,634,818,347,630.00
TN3	77.0438	77.0438	77.0438	77.0438	0.00%	0	0.00	0	2,099,712,432,862.00
TN5	70.6523	70.6523	70.6523	70.6523	0.00%	0	0.00	0	5,011,014,377,500.00
TN50	77.1437	77.1437	77.1437	77.1437	0.00%	0	0.00	0	1,019,145,420,700.00
TN7AF	73.8329	73.8329	73.8329	73.8329	0.00%	0	0.00	0	2,504,933,966,603.00
TN7YR	76.7700	76.7700	76.7700	76.7700	0.00%	0	0.00	0	1,246,721,769,000.00
TN888	73.0590	73.0590	73.0590	73.0590	0.00%	0	0.00	0	435,431,640,000.00
TN90	88.4233	88.4233	88.4233	88.4233	0.00%	0	0.00	0	1,719,599,747,488.00
TN92	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	4,808,704,100,000.00
TN96	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,910,500,000,000.00
TN99	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,786,754,900,000.00
TNX02	89.2899	89.2899	89.2899	89.2899	0.00%	0	0.00	0	5,770,961,780,005.80
TNX07	76.0578	76.0578	76.0578	76.0578	0.00%	0	0.00	0	1,555,382,010,000.00
TNX10	70.6384	70.6384	70.6384	70.6384	0.00%	0	0.00	0	832,544,182,400.00
TNX7	74.3855	74.3855	74.3855	74.3855	0.00%	0	0.00	0	2,908,487,927,100.00
TNY07	75.3418	75.3418	75.3418	75.3418	0.00%	0	0.00	0	2,257,271,896,214.20
TT05	76.9113	76.9113	76.9113	76.9113	0.00%	0	0.00	0	2,903,470,795,170.00
TX07Y	74.6008	74.6008	74.6008	74.6008	0.00%	0	0.00	0	971,377,016,800.00
TX10Z	70.6213	70.6213	70.6213	70.6213	0.00%	0	0.00	0	758,472,762,000.00
Total						1,000	843,890.00	1	129,211,923,061,475.00

5. ECONOMIC REVIEW

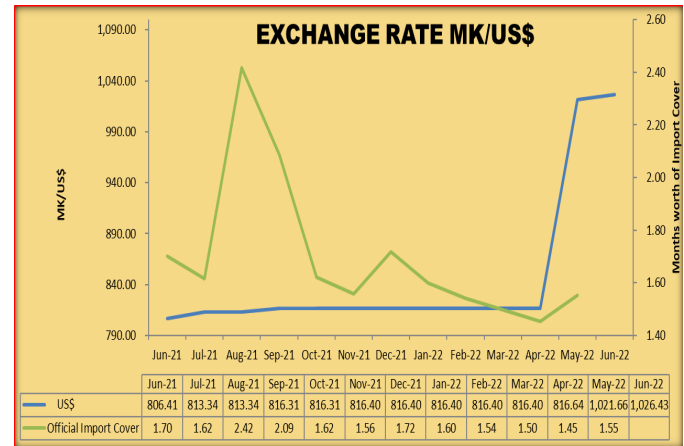
Interest Rates

During the quarter under review, the yields on the 91 days Tbills, the 182 days Tbill and the 364 days Tbill inched upwards by 0.0110% from 9.7390% to 9.7500%, by 2.0000% from 13.0000% to 15.0000% and by 2.5962% from 15.0000% to 17.5962% respectively.



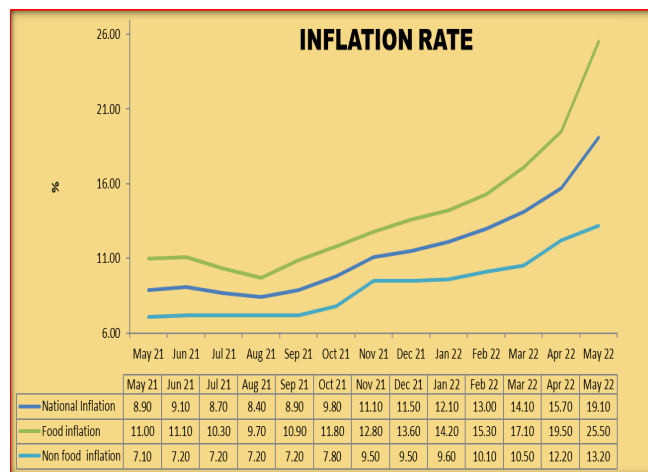
Exchange Rates

The Kwacha depreciated against the United States Dollar following the devaluation of the kwacha by 25% in the period under review. Gross official reserves were at 1.55 months worth of import cover on 31 May 2022.



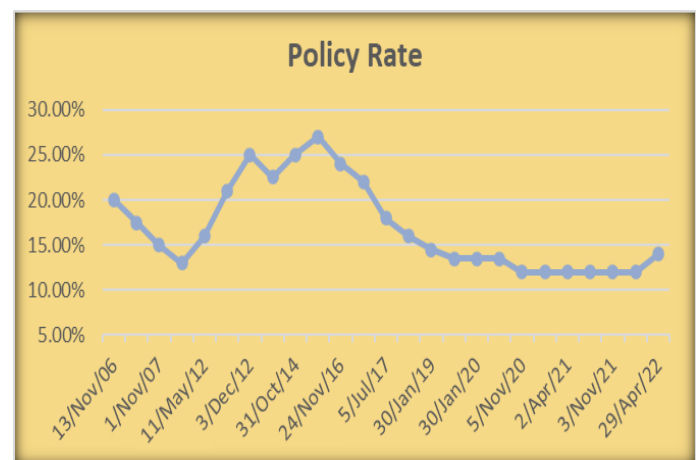
Inflation Rates

Headline inflation inched upwards by 6.10 percentage points from 13.00% in April, 2022 to 19.10% in May, 2022.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 29 April 2022 increased the policy rate by 200 basis points from 12% to 14%.



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